

April 30, 1973

6848-D

RECORDATION NO. \_\_\_\_\_ Filed & Recorded

Continental Illinois Leasing Corporation  
231 South LaSalle Street  
Chicago, Illinois 60693

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INTERSTATE COMMERCE COMMISSION

Gentlemen:

Reference is made to that certain Equipment Lease Agreement dated as of December 27, 1972 (the "Lease") between you and Auto-Train Corporation ("Auto-Train") in respect of the leasing of five General Electric Model U36B locomotives (the "Locomotives"). Reference is further made to a Sublease Agreement between Auto-Train and Louisville and Nashville Railroad Company ("L&N"), an Agreement to Purchase among you, Auto-Train and L&N, and a Supplement to Agreement to Purchase among you and Auto-Train, all dated as of December 27, 1972. A true and correct copy of the Agreement to Purchase is attached hereto as Exhibit A.

The Agreement to Purchase provides that you shall have the right to terminate the Lease at any time after March 31, 1973 on not less than five days notice to Auto-Train in the event Auto-Train has not on or before that date received the net proceeds of an issue of its debt or equity securities in a principal amount not less than \$11,000,000. The Agreement to Purchase further provides that L&N is required, upon your written demand on or before April 30, 1973, to purchase or lease the Locomotives. The following will represent our agreement and understanding:

1. The opening paragraph of the Agreement to Purchase is hereby amended by inserting therein the following as a new second sentence: "The following three (3) Locomotives shall hereinafter in this Agreement be referred to as the 'B Locomotives': Road Nos. 4005, 4008 and 4009."

2. Paragraph 1 of the Agreement to Purchase is hereby amended to read in its entirety as follows:

"1. In the event that the Stockholders' Equity of Auto-Train on August 31, 1973 is less than \$8,500,000, L&N hereby agrees, upon the written demand therefor made by CILC to L&N on or before September 30, 1973, to assume all of the obligations of Auto-Train under the

Lease to the extent that such obligations relate to the B Locomotives and to be substituted for Auto-Train as the lessee thereunder of the B Locomotives in all respects. Stockholders' Equity, for purposes hereof, shall mean that item as it appears on the balance sheet of Auto-Train computed in accordance with generally accepted accounting principles applied on a consistent basis. Auto-Train shall furnish to CILC and L&N on or before September 10, 1973 a certificate signed by the President or the Executive Vice President and the Treasurer of Auto-Train certifying in such detail as CILC may reasonably request as to the Stockholders' Equity of Auto-Train as at August 31, 1973."

3. Paragraph 2 of the Agreement to Purchase is hereby amended to read in its entirety as follows:

"2. CILC shall have the right under the Lease to terminate the lease of the B Locomotives, or any thereof, at any time after August 31, 1973 on not less than five days written notice to Auto-Train in the event that the Stockholders' Equity of Auto-Train on August 31, 1973 is less than \$8,500,000; provided, however, that CILC's right of termination under this paragraph 2 shall expire with respect to any B Locomotives upon an assumption by L&N of the obligations of the lessee under the Lease with respect to such B Locomotives pursuant to paragraph 1 hereof."

4. Paragraph 3 of the Agreement to Purchase is hereby amended in its entirety to read as follows:

"3. Upon an assumption by L&N of the obligations of the lessee under the Lease with respect to the B Locomotives or any thereof pursuant to paragraph 1 hereof, (i) L&N as such lessee shall have the right to self-insure such B Locomotives, anything in Section 10 of the Lease to the contrary notwithstanding, (ii) the restrictions on use of such B Locomotives to the lines referred to in the third sentence of

Section 7 of the Lease shall not be applicable, (iii) L&N shall furnish to CILC, in lieu of the financial statements required under clauses (i), (ii) and (iv) of Section 6(b) of the Lease, a copy of its Interstate Commerce Commission Form A Report within 90 days after each fiscal year of L&N, (iv) L&N shall have the right under Section 15(b) of the Lease to sublease such B Locomotives to Auto-Train provided the conditions referred to in clauses (i), (ii) and (iii) of said Section 15(b) are met, and (v) all notices to L&N under Section 19(b)(i) of the Lease shall be to L&N at 908 West Broadway, Louisville, Kentucky."

5. We hereby confirm that the word "Sublessee" in the third line of paragraph 7 of the Agreement to Purchase refers to and means L&N.

6. Section 11(c) of the Lease is hereby amended by deleting the date "April 30, 1973" and inserting in lieu thereof "August 31, 1973".

7. The Supplement to Agreement to Purchase is hereby terminated.

8. Auto-Train will cause this agreement to be filed and recorded with the Interstate Commerce Commission in accordance with Section 20(c) of the Interstate Commerce Act at its sole cost and expense.

Except as modified herein, the Lease and the Agreement to Purchase remain unchanged.

If the foregoing is in accordance with your understanding, kindly execute this agreement beneath the words "Accepted and Agreed To", whereupon this agreement shall be deemed effective as of the date set forth above.

Very truly yours,

AUTO-TRAIN CORPORATION

[SEAL]

By: Richard W. Tolbert  
Executive Vice President

ATTEST:

Amuel  
Asst. Secy

[SEAL]

LOUISVILLE AND NASHVILLE  
RAILROAD COMPANY

Attest:

*W. G. Foster*  
Assistant Secretary

By

*W. S. Hunter*  
Vice President

ACCEPTED AND AGREED TO:

CONTINENTAL ILLINOIS LEASING  
CORPORATION

By *Edward Bruggem*  
SECOND VICE PRESIDENT

[SEAL]

Attest:

*John T. Halligan*  
Assistant Secretary

December 21, 1972

Continental Illinois Leasing Corporation  
231 South LaSalle Street  
Chicago, Illinois 60693

Re: Agreement to Purchase

Gentlemen:

The undersigned Auto-Train Corporation ("Auto-Train") has requested Continental Illinois Leasing Corporation ("CILC") to provide lease financing for five General Electric Model U36B locomotives (the "Locomotives") described on Exhibit A to a proposed Equipment Lease Agreement to be dated as of the date hereof (the "Lease") between CILC, as lessor, and Auto-Train, as lessee. CILC has conditioned its willingness to enter into the Lease on Auto-Train's receipt of certain additional financing, and in order to induce CILC to enter into the Lease as of the date hereof, it is hereby agreed by Auto-Train and the undersigned Louisville and Nashville Railroad Company ("L&N") as follows:

1. In the event that Auto-Train has not on or before March 31, 1973 received the net proceeds of an

issue of its debt or equity securities in a principal amount not less than \$11,000,000, L&N hereby agrees, upon the written demand therefor (the "CILC purchase demand") made by CILC to L&N on or before April 30, 1973, to purchase the Locomotives from CILC forthwith for an aggregate purchase price as set forth in paragraph 3(2) hereof. Such aggregate purchase price for the Locomotives shall be payable by L&N to CILC in immediately available funds at the offices of CILC in Chicago, Illinois not more than fifteen (15) days after the date of the CILC purchase demand. Upon payment by L&N of such aggregate purchase price and payment of all rent and any other amount owing to CILC under the Lease, CILC shall thereupon transfer to L&N, without any representations or warranties of any kind, express or implied, whatever title to the Locomotives CILC may then have.

2. CILC shall have the right to terminate the Lease at any time after March 31, 1973 on not less than five (5) days written notice to Auto-Train in the event that Auto-Train has not on or before that date received the net proceeds of an issue of its debt or equity securities in a principal amount not less than \$11,000,000.

3. L&N shall upon receipt of the CILC purchase demand have the option (the "lease assumption option") (1) to assume the obligations of Auto-Train under the Lease rather than to purchase the Locomotives as above provided in paragraph 1; in such event L&N shall assume the obligations of Auto-Train under the Equipment Lease Agreement except for Section 6(b)(i), (ii), (iv) and (v), and Section 10, thereof, provided, however, the Acquisition Cost of the Locomotives under the Equipment Lease Agreement shall exclude the fair market value of any special equipment placed in or on the Locomotives at the request of Sublessor and the cost of modifying the gear ratios of the Locomotives to meet the freight standards of Seaboard Coast Line Railroad Company, or (2) purchase all Locomotives from Continental for an aggregate purchase price equal to the then fair market value of said Locomotives at April 30, 1973, without giving effect to any formula or other provision of the Equipment Lease Agreement, and excluding from said fair market value of any special equipment placed in or on the Locomotives at the request of Sublessor and the cost of modifying the gear ratios of the Locomotives to meet the freight standards of Seaboard Coast Line Railroad Company.

The parties hereto agree that fair market value shall be determined

in accordance with the provisions of Section 11(a) of the Equipment Lease Agreement dated as of the date hereof between Auto-Train and Continental.

4. L&N represents and warrants to CILC that (i) it is a corporation duly organized and existing under the laws of the State of Kentucky, (ii) it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder, and (iii) that this Agreement is the legal, valid and binding obligation of L&N, enforceable in accordance with its terms, L&N shall deliver to CILC concurrently with the execution and delivery hereof (1) an incumbency certificate indicating the title and specimen signatures of those officers executing this Agreement, and (2) an opinion of counsel to the L&N to the effect that the representations and warranties of L&N in the foregoing clauses (i)-(iii) are true and correct.

5. L&N hereby (i) agrees that its right as sublessee under any permitted sublease of the Locomotives from Auto-Train shall at all times be and remain subordinate and subject to the Lease and this Agreement and (ii) acknowledges receipt of a copy of the proposed form of Lease.

6. Any notice hereunder shall be in writing and if mailed shall be deemed to be given when sent



by registered or certified mail, postage prepaid, and addressed (i) if to Auto-Train or L&N, at their respective addresses shown below, (ii) if to CILC, at its address shown above, or (iii) to such other address as any party hereto may, by written notice received by the others, designate as its address for purposes of notice hereunder.

7. This Agreement shall inure to the benefit of the parties hereto and their respective successors and assigns. It is understood that Sublessee may assign its rights hereunder to Seaboard Coast Line Railroad Company.

LOUISVILLE & NASHVILLE RAILROAD  
COMPANY

By: *James J. Johnston*

Its PRESIDENT

Address: 908 West Broadway  
Louisville, Kentucky

AUTO-TRAIN CORPORATION

By: *Richard H. Tolbert*

Its Executive Vice President

Address: 1801 K Street, N.W.  
Washington, D. C.

ACCEPTED AND AGREED TO:

CONTINENTAL ILLINOIS LEASING  
CORPORATION

By: *John M. Bair*

*Seam* Vice President

ACKNOWLEDGEMENTS

STATE OF ILLINOIS

COUNTY OF COOK

On this 24<sup>th</sup> day of May, 1973, before me personally appeared T. J. BRUGGEMAN, to me personally known, who, being by me duly sworn, says that he is ~~SECOND VICE PRESIDENT~~ of Continental Illinois Leasing Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of the said corporation, that said instrument was signed and sealed on behalf of said corporation by authority contained in its By-laws, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

STATE OF

COUNTY OF

Maria English  
MY COMMISSION EXPIRES MARCH 10, 1975

On this 16<sup>th</sup> day of May, 1973, before me personally appeared Richard H. Talbert, to me personally known, who, being by me duly sworn, says that he is Executive Vice President of Auto-Train Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of the said corporation, that said instrument was signed and sealed on behalf of said corporation by authority contained in its By-laws, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Notarial Seal)

STATE OF

COUNTY OF

Elaine M. Labuda  
My Commission Expires Oct. 14, 1974

On this 31<sup>st</sup> day of May, 1973, before me personally appeared D. D. Strench, to me personally known, who, being by me duly sworn, says that he is Vice President of Louisville and Nashville Railroad Company, that one of the seals affixed to the foregoing instrument